

**UNITED STATES BANKRUPTCY COURT  
SOUTHERN DISTRICT OF NEW YORK**

In re:

GRUPO IUSACELL CELULAR, S.A. de C.V., *et al.*,

Debtor.

Chapter 11  
Case No. 06-11599 (BRL)

**STIPULATION AND ORDER OF DISMISSAL  
OF INVOLUNTARY PETITION WITH PREJUDICE**

This Stipulation (the “Stipulation”) is made by and between the Petitioning creditors Gramercy Emerging Markets Fund, PALLMALL LLC and KAPALI LLC (collectively, “Petitioners”) and the Debtor Grupo Iusacell Celular, S.A. de C.V. (“Iusacell”), through their respective counsel.

**Recitals**

- A. On or about July 14, 2006, Petitioners filed an involuntary petition for relief under Chapter 11 of the Bankruptcy Code against Iusacell (the “Involuntary Petition”).
- B. On or about August 15, 2006, Iusacell filed a Motion to Dismiss the Involuntary Petition for Insufficiency of Process (the “Motion”). On or about September 26, 2006, Petitioners filed an Opposition to the Motion.
- C. On October 11, 2006, the Court ruled that service of the Involuntary Petition must proceed pursuant to the Hague Convention and that all other proceedings in the case would be stayed until the entry of relief, should Petitioners sustain the Involuntary Petition.
- D. Petitioners have advised Iusacell of a transaction, which it represents and warrants occurred on or about October 19, 2006, pursuant to which all of the claims held by each

of the Petitioners against Iusacell were assigned to a third party. Petitioners represent and warrant to Iusacell that as a result, the Petitioners no longer have any claims against or interests in Iusacell.

E. The attorney for the Petitioners by his signature below represents and warrants to the Court and to Iusacell that he has the authority to bind the Petitioners to this Stipulation.

F. The attorney for Iusacell represents and warrants to the Court and Petitioners that he has the authority to bind Iusacell to this Stipulation.

G. On the terms set forth herein, the Petitioners and Iusacell consent to the dismissal of the Involuntary Petition, with prejudice.

### **STIPULATION**

**IT IS HEREBY STIPULATED AND AGREED**, by and among the undersigned counsel for the Petitioners and Iusacell that:

1. The recitals are incorporated into this Stipulation and made part of this Agreement.

2. The Involuntary Petition shall be dismissed with prejudice pursuant to Bankruptcy Code §303(j).

3. The dismissal of the Involuntary Petition on the terms set forth herein is without prejudice to any of the other rights and remedies of the Petitioners and Iusacell.

4. This Court shall continue to exercise its jurisdiction over all remaining matters under the Bankruptcy Code, the Bankruptcy Rules, and other applicable law following dismissal of the Involuntary Petition under section 303(j).

5. In executing this Stipulation, Iusacell makes a limited appearance solely for the purposes of disposing of this matter on the terms set forth herein.

Dated: New York, New York  
October 24, 2006

MANATT, PHELPS & PHILLIPS, LLP

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Dated: New York, New York  
October 23, 2006

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By: /s/ Stephen J. Shimshak  
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CELULAR, S.A. DE C.V.

**IT IS SO ORDERED.**

Dated: November 16, 2006

/s/ Burton R. Lifland  
The Honorable Burton R. Lifland  
United States Bankruptcy Judge